

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 56th LEGISLATURE - REGULAR SESSION

JOINT APPROPRIATIONS SUBCOMMITTEE ON NATURAL RESOURCES AND COMMERCE

Call to Order: By **CHAIRMAN JOHN WITT**, on February 3, 1999 at
8:05 A.M., in Room 201 Capitol.

ROLL CALL

Members Present:

Rep. John Witt, Chairman (R)
Sen. Tom Keating, Vice Chairman (R)
Sen. William Crismore (R)
Rep. Dick Haines (R)
Sen. Linda Nelson (D)
Rep. Joe Tropila (D)

Members Excused: None.

Members Absent: None.

Staff Present: Summer Alger, Committee Secretary
Greg DeWitt, Legislative Branch
Shirley Moore, OBPP

Please Note: These are summary minutes. Testimony and
discussion are paraphrased and condensed.

Committee Business Summary:

Hearing: HB 2 - Dept. of Commerce Budget
Executive Action: HB 2 - Dept. of Commerce Budget

Greg DeWitt handed out Differences from the Executive Budget as
of 2/2/99.

EXHIBIT(jnh27a01)

HEARING ON HB 2 - DEPT. OF COMMERCE BUDGET - OVERVIEW PRESENTATION

Peter Blouke, Director, Dept. of Commerce, began the department

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overview presentation, starting with jobs & income.

Sen. Keating inquired about services, etc., and their average wage. **Rep. Tropila** questioned why they did not break the per capita income chart out with professions and low paying jobs.

Sen. Keating commented on the dollar factor, then **Director Blouke** continued with the presentation.

Sen. Crismore asked about wood products (under manufacturing), and **Sen. Keating** asked if there is a corresponding chart from 1970. **Rep. Haines** questioned why Jobs & Income is not looking towards manufacturing and mining, when those industries are the biggest money makers. **Rep. Tropila** asked what oil & gas fall under on the chart, and **Chairman Witt** commented and questioned if these industries are being driven out (of business) by the environmental community.

Chairman Witt asked **Director Blouke** to comment on the difference between Montana and California and how agriculture is flourishing there. He then asked the director why it has taken 50 years to get to this point of worry over agriculture/natural resource use.

Chairman Witt asked **Director Blouke** to discuss Jobs & Income for MT families, and **Andy Poole** jumped in. **John Youngberg, City Council of Belgrade**, commented also.

Upon continuing the presentation, a Jobs & Income wheel chart was passed out to the committee.

EXHIBIT (jnh27a02)

Chairman Witt commented that he thinks there is more opposition to HB 238 than any other, then questioned economic development, and the money situation of the Dept. of Commerce. The director replied that the department is on a "bare bones" budget, and, therefore, do not have the resources to be able to stimulate economy. There was then further discussion on HB 238.

Sen. Nelson inquired about the 7 member commission on Jobs & Income, and if they are full time. She then asked how this commission compares to the MT Ambassadors that were around in the late 1980's.

Director Blouke carried on with the presentation, and **Sen. Crismore** commented that the State needs to pull together and act as a State.

Break @ 9:15am {Tape : 2; Side : A; Approx. Time Counter : 9.1}

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Director Blouke handed out a department organizational chart.

EXHIBIT (jnh27a03)

**HEARING ON HB 2 - DEPT. OF COMMERCE BUDGET - BUREAU OF WEIGHTS &
MEASURES**

Jack Cane, Bureau Chief, Bureau of Weights and Measures, gave a brief bureau overview, along with written testimony.

EXHIBIT (jnh27a04)

Sen. Keating questioned how they alter the octane level at the retail level. He also asked if there is an increase in number of pumps, while comment that there will be a bunch for sale due to competition.

Sen. Nelson asked about meat packaging, and **Rep. Tropila** inquired if they still measure BTU of natural gas.

Sen. Crismore asked about problems with new technology in gas pumps.

Present Law Adjustments:

DP 201 & DP 202

**EXECUTIVE ACTION ON HB 2 - DEPT. OF COMMERCE BUDGET - BUREAU OF
WEIGHTS & MEASURES**

{Tape : 2; Side : B; Approx. Time Counter : 5.7}

Motion/Vote: SEN. KEATING moved that DP 201 & DP 202 BE ADOPTED. SECONDED by SEN. CRISMORE. Motion carried unanimously.

**HEARING ON HB 2 - DEPT. OF COMMERCE BUDGET - BANKING & FINANCIAL
DIVISION**

Don Hutchinson, Commissioner, Banking & Financial Division, gave the division overview presentation. **Greg DeWitt** discussed the LFD Issue dealing with CI-75 on page **C-202** of the Legislative Budget Analysis 2001 Biennium: Agency Budgets, Vol. 1, January 1999, LFD. **Bill Hoffman, Budget Officer, Dept. of Commerce**, commented that the budget was entered without knowledge of CI-75.

**The Legislative Budget Analysis (LBA) 2001 budget book will not be referred to as an exhibit, however, budget information from other sources will be noted as exhibits.*

Sen. Keating questioned the 3 FTE's, and if the fee asked for is annual or a service fee. He then inquired more about the vacancies, and if they are filled now. **Sen. Keating** commented

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that he does not see why this division needs a vacancy saving,
and **Shirley Moore** responded.

Chairman Witt had a discussion with **Mr. Hutchinson** about Q Bank
in its closure, questioning who has lead authority.

Rep. Tropila asked about Foreign Depository and if the department
is pursuing it, and **Rep. Haines** asked if a foreign deposit would
be publicized. **Sen. Keating** commented that it would hit the trade
papers internationally, thereby, becoming attractive to others.

Present Law Adjustments:

DP 3601

Mr. DeWitt commented on the issue of funding, and **Sen. Keating**
commented on the 3 FTE's, asking if they are permanent. He then
asked if the banks and credit unions want the service of the
division.

**EXECUTIVE ACTION ON HB 2 - DEPT. OF COMMERCE BUDGET - BANKING &
FINANCIAL DIVISION**

{Tape : 3; Side : A; Approx. Time Counter : 31.2}

Motion/Vote: **SEN. KEATING** moved that **DP 3601 BE ADOPTED.**
SECONDED by **REP. HAINES.** Motion carried unanimously.

**Sen. Nelson was not present.*

Sen. Keating asked about economic principles, while **Chairman Witt**
asked for comment on the LFD Issue, and for **Mr. DeWitt** to visit
with the legal staff about whether or not a separate bill is
needed. **Sen. Keating** asked if the next present law adjustments
are based on projected revenues due to rate increases. The
department responded that no rate increases are built into the
request, that they are based on current rates.

DP 3602, DP 3603, DP 3605, & DP 3606

Chairman Witt asked about the vehicles, wondering why some are
owned and some leased. He then inquired as to why there is not a
DP 3604.

**EXECUTIVE ACTION ON HB 2 - DEPT. OF COMMERCE BUDGET - BANKING &
FINANCIAL DIVISION**

{Tape : 3; Side : B; Approx. Time Counter : 8.9}

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Motion/Vote: SEN. KEATING moved that DP 3602, DP 3603, DP 3605, & DP 3606 BE ADOPTED. SECONDED by SEN. CRISMORE. Motion carried unanimously.

Language

Sen. Keating commented on and questioned the language recommendations on page C-203 of the LBA 2001 budget book.

EXECUTIVE ACTION ON HB 2 - DEPT. OF COMMERCE BUDGET - BANKING & FINANCIAL DIVISION

{Tape : 3; Side : B; Approx. Time Counter : 10.8}

Motion/Vote: SEN. KEATING moved that LANGUAGE RECOMMENDATIONS ON PAGE C-203 OF THE LBA 2001 BUDGET BOOK BE ADOPTED. SECONDED by SEN. CRISMORE. Motion carried unanimously.

HEARING ON HB 2 - DEPT. OF COMMERCE BUDGET - CONSUMER AFFAIRS

Annie Bartos, Chief Legal Council, Dept. of Commerce, handed out a folder containing consumer affair information, then proceeded to give a brief overview presentation.

EXHIBIT (jnh27a05)

Rep. Haines inquired about the success of legal action against scams, and Sen. Nelson asked about the number of complaints on funeral homes. Sen. Crismore inquired about the Sears legal deal, and Rep. Haines asked about SB 27, the telemarketing bill.

DP 7901, DP 7902, DP 7903, & DP 7904

Ms. Bartos delved into discussion of the executive requests, and Sen. Keating asked if she is included in the 3 FTE's being requested. Mr. DeWitt explained that DP 7901 is a funding shift, not an increase, and Sen. Keating asked if there is a figure for the money saved for consumers last year.

EXECUTIVE ACTION ON HB 2 - DEPT. OF COMMERCE BUDGET - CONSUMER AFFAIRS

{Tape : 4; Side : A; Approx. Time Counter : 11.8}

Motion/Vote: SEN. KEATING moved that DP 7901, DP 7902, DP 7903, & DP 7904 BE ADOPTED. SECONDED by REP. HAINES. Motion carried unanimously.

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**HEARING ON HB 2 - DEPT. OF COMMERCE BUDGET - BOARD OF HORSE
RACING**

Sam Murfitt, Executive Director, Board of Horse Racing, gave a brief overview presentation, commenting that no general fund is utilized in this area. **Chairman Witt** inquired as to who oversees United Tote, and **Sen. Keating** asked if the board is familiar with Metra Park and its problems.

**EXECUTIVE ACTION ON HB 2 - DEPT. OF COMMERCE BUDGET - BOARD OF
HORSE RACING**

{Tape : 4; Side : A; Approx. Time Counter : 21.1}

Motion/Vote: SEN. KEATING moved that DP 781 BE ADOPTED. SECONDED by SEN. CRISMORE. Motion carried unanimously.

Mr. DeWitt commented on the LFD Comment, and **Rep. Tropila** asked for the number of members on the board. **Mr. DeWitt** then discussed the vacancy savings number in the LFD Comment.

ADJOURNMENT

Adjournment: 11:44 A.M.

REP. JOHN WITT, Chairman

SUMMER ALGER, Secretary

JW/SA

EXHIBIT (jnh27aad)